

House Amendment 1177

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1 1 Amend House File 651 as follows:
1 2 #1. Page 1, by inserting before line 1 the
1 3 following:
1 4 1 5 by adding the following new subsection:
1 6 NEW SUBSECTION. 22A. "Native wine" means wine
1 7 manufactured in this state.
1 8 Sec. _____. Section 123.3, subsection 30, Code 2003,
1 9 is amended to read as follows:
1 10 30. "Retail wine permit" means a class "B" wine
1 11 permit, class "B" native wine permit, or class "C"
1 12 native wine permit issued under this chapter.
1 13 Sec. _____. Section 123.32, subsection 1, Code 2003,
1 14 is amended to read as follows:
1 15 1. FILING OF APPLICATION. An application for a
1 16 class "A", class "B", class "C", or class "E" liquor
1 17 control license, for a retail beer permit as provided
1 18 in sections 123.128 and 123.129, or for a class "B"
1 19 class "B" native, or class "C" native retail wine
1 20 permit as provided in section ~~123.176~~ 123.178,
1 21 123.178A, or 123.178B, accompanied by the necessary
1 22 fee and bond, if required, shall be filed with the
1 23 appropriate city council if the premises for which the
1 24 license or permit is sought are located within the
1 25 corporate limits of a city, or with the board of
1 26 supervisors if the premises for which the license or
1 27 permit is sought are located outside the corporate
1 28 limits of a city. An application for a class "D"
1 29 liquor control license and for a class "A" beer or
1 30 class "A" wine permit, accompanied by the necessary
1 31 fee and bond, if required, shall be filed with the
1 32 division, which shall proceed in the same manner as in
1 33 the case of an application approved by local
1 34 authorities.
1 35 Sec. _____. Section 123.56, subsection 1, Code 2003,
1 36 is amended to read as follows:
1 37 1. Subject to rules of the division, manufacturers
1 38 of native wines from grapes, cherries, other fruits or
1 39 other fruit juices, vegetables, vegetable juices,
1 40 dandelions, clover, honey, or any combination of these
1 41 ingredients, holding a class "A" wine permit as
1 42 required by this chapter, may sell, keep, or offer for
1 43 sale and deliver the wine. Sales may be made at
1 44 retail for off-premises consumption when sold on the
1 45 premises of the manufacturer, or in a retail
1 46 establishment operated by the manufacturer ~~which is no~~
1 47 ~~closer than five miles from an existing native winery.~~
1 48 Sales may also be made to class "A" or retail wine
1 49 permittees or liquor control licensees as authorized
1 50 by the class "A" wine permit.
2 1 Sec. _____. Section 123.56, Code 2003, is amended by
2 2 adding the following new subsection:
2 3 NEW SUBSECTION. 6. Notwithstanding any other
2 4 provision of this chapter, a person engaged in the
2 5 business of manufacturing native wine may sell native
2 6 wine at retail for consumption on the premises of the
2 7 manufacturing facility by applying for a class "C"
2 8 native wine permit as provided in section 123.178B. A
2 9 manufacturer of native wine may be granted not more
2 10 than one class "C" native wine permit.
2 11 Sec. _____. Section 123.173, Code 2003, is amended
2 12 to read as follows:
2 13 123.173 WINE PERMITS == CLASSES == AUTHORITY.
2 14 Permits exclusively for the sale or manufacture and
2 15 sale of wine shall be divided into ~~two~~ four classes,
2 16 and shall be known as class "A", or "B", "B" native,
2 17 or "C" native wine permits.
2 18 A class "A" wine permit allows the holder to
2 19 manufacture and sell, or sell at wholesale, in this
2 20 state, wine as defined in section 123.3, subsection
2 21 37. The holder of a class "A" wine permit may
2 22 manufacture in this state wine having an alcoholic
2 23 content greater than seventeen percent by weight for
2 24 shipment outside this state. All class "A" premises
2 25 shall be located within the state. A class "B" or

2 26 class "B" native wine permit allows the holder to sell
2 27 wine at retail for consumption off the premises. A
2 28 class "B" or class "B" native wine permittee who also
2 29 holds a class "E" liquor control license may sell wine
2 30 to class "A", class "B", and class "C" liquor control
2 31 licensees for resale for consumption on the premises.
2 32 ~~A class "B" wine permittee who also holds a class "E"~~
2 33 ~~liquor control license may sell wine to class "A",~~
2 34 ~~class "B", and class "C" liquor control licensees. Such~~
2 35 ~~wine sales shall be in quantities of less than one~~
2 36 ~~case of any wine brand but not more than one such sale~~
2 37 ~~shall be made to the same liquor control licensee in a~~
2 38 ~~twenty-four hour period. A class "B" or class "B"~~
2 39 ~~native wine permittee shall not sell wine to other~~
2 40 ~~class "B", or class "B" native wine permittees. A~~
2 41 ~~class "C" native wine permit allows the holder to sell~~
2 42 ~~wine for consumption on or off the premises.~~
2 43 A class "A" wine permittee shall be required to
2 44 deliver wine to a ~~class "B" retail~~ wine permittee, and
2 45 a ~~class "B" retail~~ wine permittee shall be required to
2 46 accept delivery of wine from a class "A" wine
2 47 permittee, only at the licensed premises of the ~~class~~
2 48 ~~"B" retail~~ wine permittee. Except as specifically
2 49 permitted by the division upon good cause shown,
2 50 delivery or transfer of wine from an unlicensed
3 1 premises to a licensed ~~"B" retail~~ wine permittee's
3 2 premises, or from one licensed ~~"B" retail~~ wine
3 3 permittee's premises to another licensed ~~"B" retail~~
3 4 wine permittee's premises, even if there is common
3 5 ownership of all of the premises by one ~~class "B"~~
3 6 ~~retail~~ permittee, is prohibited. A class "B" or class
3 7 "B" native wine permittee who also holds a class "E"
3 8 liquor control license shall keep and maintain records
3 9 for each sale of wine to liquor control licensees
3 10 showing the name of the establishment to which wine
3 11 was sold, the date of sale, and the brands and number
3 12 of bottles sold to the liquor control licensee.
3 13 When a class "B" or class "B" native wine permittee
3 14 who also holds a class "E" liquor control license
3 15 sells wine to a class "A", class "B", or class "C"
3 16 liquor control licensee, the liquor control licensee
3 17 shall sign a report attesting to the purchase. The
3 18 class "B" or class "B" native wine permittee who also
3 19 holds a class "E" liquor control license shall submit
3 20 to the division, on forms supplied by the division,
3 21 not later than the tenth of each month a report
3 22 stating each sale of wine to class "A", class "B", and
3 23 class "C" liquor control licensees during the
3 24 preceding month, the date of each sale, and the brands
3 25 and numbers of bottles with each sale. A class "B"
3 26 permittee who holds a class "E" liquor control license
3 27 may sell to class "A", class "B", or class "C" liquor
3 28 control licensees only if the licensed premises of the
3 29 liquor control licensee is located within the
3 30 geographic territory of the class "A" wine permittee
3 31 from which the wine was originally purchased by the
3 32 class "B" wine permittee.
3 33 Sec. _____. Section 123.174, Code 2003, is amended
3 34 to read as follows:
3 35 123.174 ISSUANCE OF WINE PERMITS.
3 36 The administrator shall issue ~~class "A" and "B"~~
3 37 wine permits as provided in this chapter, and may
3 38 suspend or revoke a wine permit for cause as provided
3 39 in this chapter.
3 40 Sec. _____. Section 123.175, Code 2003, is amended
3 41 to read as follows:
3 42 123.175 ~~CLASS "A"~~ APPLICATION CONTENTS.
3 43 Except as otherwise provided in this chapter, a
3 44 class "A" or retail wine permit shall be issued to a
3 45 person who complies with all of the following:
3 46 1. Submits a written application for the permit
3 47 and states on the application under oath:
3 48 a. The name and place of residence of the
3 49 applicant and the length of time the applicant has
3 50 lived at the place of residence.
4 1 b. That the applicant is a citizen of the state of
4 2 Iowa, or if a corporation, that the applicant is
4 3 authorized to do business in Iowa.
4 4 c. The place of birth of the applicant, and if the
4 5 applicant is a naturalized citizen, the time and place
4 6 of naturalization, or if a corporation, the state of

4 7 incorporation.

4 8 d. The location of the premises where the

4 9 applicant intends to use the permit.

4 10 e. The name of the owner of the premises, and if

4 11 that owner is not the applicant, that the applicant is

4 12 the actual lessee of the premises.

4 13 2. Establishes all of the following:

4 14 a. That the applicant meets the test of good moral

4 15 character as provided in section 123.3, subsection 26.

4 16 b. That the premises where the applicant intends

4 17 to use the permit conform to all applicable laws,

4 18 health regulations, and fire regulations, and

4 19 constitute a safe and proper place or building.

4 20 3. Submits, in the case of a class "A" wine

4 21 permit, a bond in the amount of five thousand dollars

4 22 in the form prescribed and furnished by the division

4 23 with good and sufficient sureties to be approved by

4 24 the division conditioned upon compliance with this

4 25 chapter.

4 26 4. Consents to inspection as required in section

4 27 123.30, subsection 1.

4 28 Sec. _____. Section 123.177, subsection 1, Code

4 29 2003, is amended to read as follows:

4 30 1. A person holding a class "A" wine permit may

4 31 manufacture and sell, or sell at wholesale, wine for

4 32 consumption off the premises. Sales within the state

4 33 may be made only to persons holding a class "A" or "B"

4 34 wine permit and to persons holding a ~~class "A", "B",~~

4 35 ~~"C" or "D" retail liquor control license. However, if~~

4 36 ~~the person holding the class "A" permit is a~~

4 37 ~~manufacturer of native wine, the person may sell only~~

4 38 ~~native wine to a person holding a retail wine permit~~

4 39 ~~or a retail liquor control license. A class "A" wine~~

4 40 ~~permittee having more than one place of business shall~~

4 41 ~~obtain a separate permit for each place of business~~

4 42 ~~where wine is to be stored, warehoused, or sold.~~

4 43 Sec. _____. NEW SECTION. 123.178A AUTHORITY UNDER

4 44 CLASS "B" NATIVE PERMIT.

4 45 1. A person holding a class "B" native wine permit

4 46 may sell native wine only at retail for consumption

4 47 off the premises. Native wine shall be sold for

4 48 consumption off the premises in original containers

4 49 only.

4 50 2. A class "B" native wine permittee having more

5 1 than one place of business where wine is sold shall

5 2 obtain a separate permit for each place of business.

5 3 3. A person holding a class "B" native wine permit

5 4 may purchase wine for resale only from a native winery

5 5 holding a class "A" wine permit.

5 6 Sec. _____. NEW SECTION. 123.178B AUTHORITY UNDER

5 7 CLASS "C" NATIVE PERMIT.

5 8 1. A person holding a class "C" native wine permit

5 9 may sell native wine only at retail for consumption on

5 10 or off the premises.

5 11 2. A class "C" native wine permittee having more

5 12 than one place of business where wine is sold and

5 13 served shall obtain a separate permit for each place

5 14 of business.

5 15 3. A person holding a class "C" native wine permit

5 16 may purchase wine for resale only from a native winery

5 17 holding a class "A" wine permit.

5 18 Sec. _____. Section 123.179, Code 2003, is amended

5 19 by adding the following new subsections:

5 20 NEW SUBSECTION. 3. The annual permit fee for a

5 21 class "B" native wine permit is twenty-five dollars.

5 22 NEW SUBSECTION. 4. The annual permit fee for a

5 23 class "C" native wine permit is twenty-five dollars.>

5 24 #2. Page 1, by inserting after line 12 the

5 25 following:

5 26 _____. Section 123.176, Code 2003, is

5 27 repealed.

5 28 Sec. _____. LEGISLATION TO BE SUBMITTED. The

5 29 alcoholic beverages division of the department of

5 30 commerce shall submit proposed legislation during the

5 31 2004 Regular Session of the Eightieth General Assembly

5 32 which shall make additional conforming changes to

5 33 chapter 123, and any other impacted provisions of the

5 34 Code of Iowa, to fully implement the provisions of

5 35 this Act.>

5 36 #3. Page 1, by striking line 16, and inserting the

5 37 following:

5 38 <2. The section of this Act amending section
5 39 123.183 and relating to the deposit of revenue
5 40 collected from the wine gallonage tax in the grape and
5 41 wine development fund is retroactively applicable to
5 42 July 1, 2002.>
5 43 #4. Title page, line 1, by inserting after the
5 44 word the following: 5 45 providing for native wine permits,>.
5 46 #5. Title page, line 2, by inserting after the
5 47 word the following: 5 48 fees,>.
5 49 #6. By renumbering, redesignating, and correcting
5 50 internal references as necessary.
6 1
6 2
6 3
6 4 MANTERNACH of Jones
6 5 HF 651.302 80
6 6 rn/cf